

CHAPTER NO. 565

HOUSE BILL NO. 3512

By Representative Sargent

Substituted for: Senate Bill No. 3465

By Senator Bryson

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 14, relative to account purchase transactions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 47-14-102, is amended by inserting the following language as a new, appropriately numbered item:

() "Account purchase transaction" means an agreement under which a commercial entity sells accounts, instruments, documents, or chattel paper to another commercial entity subject to a discount or fee, regardless of whether the commercial entity has a repurchase obligation related to the transaction;

SECTION 2. Tennessee Code Annotated, Section 47-14-102(7)(C), is amended by deleting the final semi-colon ";" and by substituting instead the following:

. Notwithstanding the foregoing, the term "interest" does not include any amount of a discount or fee in, or charged under, an account purchase transaction;

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: April 13, 2006


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 24th day of April 2006


PHIL BREDESEN, GOVERNOR